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Next Gens & the flight to quality

Thank you and good morning, everyone.

Okay, I know for many of you who have come from the UK or Europe, it feels like early afternoon, so I'll let that slide. But, be warned, the next speaker may require a more lively reply!

Welcome to Bermuda—and, welcome *back* to Bermuda for many of you who, I know, are frequent visitors, and have attended this successful event over the previous three years.

It's gratifying to see such a high-calibre conference grow, gain attention, and become a fixture on the industry's annual calendar. And it's a true privilege to welcome to our island so many elite professionals in this field.

Bermuda is a perfect fit to be your host venue given our heritage as one of the world's leading and oldest international wealth-planning jurisdictions. It's home to quality. On behalf of the Bermuda Business Development Agency—the BDA—I can say we're very proud to be lead sponsor of this conference for that same reason. We're committed to ensuring Bermuda remains at the forefront of international trust law and making certain our domicile provides an innovative, competitive, fit-for-purpose product. Our environment suits your business—from our world-class pool of talented practitioners and globally-respected regulation, to our 400-year-old, well-tested judicial system.

Given our long track record, we appreciate the particular challenges facing advisors of generational wealth. We understand the changing global landscape—the fast-evolving geopolitical, regulatory and cross-border issues that are impacting the trust and private-client industry. And it's clear our jurisdiction is evolving in tandem with your industry to address these challenges and offer innovative solutions.

One trend we're certainly following is the transfer of wealth to "Next Gens"—the younger generation of high-net-worth families, who bring a changing profile, new, more nimble, behaviours and progressive expectations about how their money is managed.

Social-impact investing, is a new priority, for example. Philanthropy is attracting a heavier focus. The use of technology and apps. Fintech. Access to peer-to-peer networks, and a deeper spirit of collaboration. According to a study by the Boston College Social Welfare Research Institute, in the coming decades the rising generation of high-net-worth families will inherit an estimated \$41 trillion from the current or retiring generation. And these individuals need to be serviced differently.

Bermuda is stepping up to fulfill those needs—just as our own economy is morphing to embrace disruptive but dynamic challenges like blockchain and distributed ledger technology, and digital assets. You may know that in the past two months, our island has made global headlines by becoming the world's first jurisdiction to create a legal and regulatory framework governing initial coin & token offerings, and digital asset businesses. That's responsible innovation—and it's what Bermuda's known for.

This development has the potential to build a new economic pillar for our island. And it has relevance to your industry, too. Technologists and innovators from around the

globe—such as the founders of Binance (the world’s largest virtual currency exchange), who recently signed an MOU with Bermuda’s government—are looking to our island for pioneering solutions. Bermuda-based lawyers and private-client advisors are already working with new tech wealth, and if the past few weeks are anything to judge by, it’s just the beginning. Not to mention the sports stars, the entertainers, and many other Next-Gen HNWI’s who are now being attracted to this domicile as a place to innovate, to experiment, to launch new ideas.

Your industry’s challenge is to determine what makes them tick. I’m sure this event’s talented “Rising Stars”—your own industry’s Next Gens—are going to lead the charge in this area.

Women are an important part of this changing equation. The increasing profile and power of women in the high-net-worth industry—both as wealth-holders and leading advisors—is a definite trend Bermuda’s trust and private-client business is focused on. Diversity beyond gender, too, is a factor our entire market appreciates and is attuned to as today’s corporate demographic develops—not just in wealth-management, but across our industry sectors, from insurance, funds and shipping to family offices and the trust business.

Tax transparency is increasingly the hallmark of a quality jurisdiction—and Bermuda demonstrates continued leadership related to compliance and reporting, while remaining sensitive to the important need to preserve privacy. Our Premier will touch on that with a bit more detail in a minute—but, essentially, we view Bermuda’s reputation on these matters as a significant opportunity to differentiate ourselves. To prove *why Bermuda is different*. Most jurisdictions can’t claim our longstanding, blue-

chip, cooperative record. Our respected, pragmatic regulation. The value we return to global economies. Reputation is—and has always been—our strongest selling point.

Please count on our agency, the BDA, to assist your industry on all these fronts. We are committed to working collaboratively with our stakeholders, our regulator, and our government to keep the Bermuda market evolving, to keep competitive, to keep demonstrating how *different* we really are.

Someone who well understands Bermuda's unique advantages is our new Premier. Bermuda's youngest-ever leader is entrepreneurial and tech-savvy in his own right. And with just 10 months under his belt in this role, he is already well-versed in both extolling the island's benefits to global audiences, and defending our sovereign authority to self-govern, something Bermuda's done proficiently for four centuries.

It's my pleasure to introduce the Honourable David Burt, Premier and Minister of Finance of the Government of Bermuda.

Mr. Premier...